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Faith Popcorn: Kernels of Truth

The CEO of BrainReserve Inc. keeps her fingers on the pulse of the nation to ensure her clients' successes.

This intense woman with piercing eyes and a penchant for large, showy earrings is talking very quickly, a pace quite indicative of her frenetic life style. Jogging, she boldly declares, is out: "People want to be healthy, but they are concerned about the harmful effects of jogging." She continues: Wine coolers and white wine are passé, as is light beer. People are into designer lettuce, upscale frankfurters ("made with herbs or from veal flavored with a Brie or Camembert cheese"), hot-peppered vodkas, fatness, Mom foods such as meat loaf, and cocooning.

At first glance, statements such as these seem in keeping with the image conjured by the name Faith Popcorn. (That's right, Popcorn, as in Orville Redenbacher.) Is she hiding tarot cards? Does anyone take this market researcher/trend watcher seriously?

Yes, about 200 companies do, including *Fortune* 500 businesses such as Campbell Soup, AT&T, Bristol-Myers, Colgate-Palmolive, Citicorp, and E. F. Hutton. And like the latter, when Ms. Popcorn speaks, hordes of media types listen, then quote.

Ms. Popcorn is chairperson, chief executive officer, and co-founder of BrainReserve Inc., a market-consulting business based in New York City. She and a former partner, Stuart Pittman, started the company in 1974 because, as Ms. Popcorn explains, "I really saw a gap. . . . The client needed somebody on his side, somebody who would follow trends and apply them to marketing."

Today, BrainReserve is a phenomenal success. For fees ranging from $75,000 to $600,000 per client, Ms. Popcorn, who bought out her first partner in 1984, studies trends and uses the findings to help clients develop new products or reposition old products that are not selling well. She also is a widely respected prognosticator of fads that are just around the proverbial corner.

For example, in 1980, the year she really made her mark, she predicted a declining divorce rate, home media centers, the comeback of big cars, the emergence of salt-free foods, and the return of older stars to TV — each of huge impact to companies trying to get the most for their advertising dollars. "I've been right about 95 percent of the time," says Ms. Popcorn (whose original family name was Corne until her Italian grandfather began calling himself Poppa Corne). "If you want to check up on me, all you have to do is read the *New Yorker, Fortune,* or the other publications where I've made my forecasts. My success rate is actually documented."

Joel Weiss, senior vice-president of strategic analysis and research for Burger King Corp. of Miami, certainly confirms Ms. Popcorn's boast. She has just completed a study for Burger King analyzing how the fast-food business is expected to change over the next five years. "She seems to have an intuition about trends," Mr. Weiss says. "Her track record is impressive. She's been able to see things that will happen pretty accurately."

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As trend watchers, Ms. Popcorn and her staff monitor approximately 185 periodicals, read hundreds of best-selling books, watch all popular TV shows, conduct regular polls of a select group of 2,000 persons nationwide, consult with a consumer-advisory panel of 500 persons from across the country, and work with focus groups of target consumers. Ms. Popcorn, 42, acquired many of her skills while with Smith/Greenland Advertising in New York City. A 1966 graduate of New York University, Ms. Popcorn used her bachelor's degree in English as an entree into advertising. Starting as a copywriter, she rose through the ranks and, by 1974, was executive vice-president at Smith/Greenland. She won seven prestigious Clio Awards during her eight-year tenure there. But Ms. Popcorn is a risk taker, and she stepped from the coziness of her success at Smith/Greenland into the harsh arena of owning a business.

Professional prognosticators must be capable of taking risks — for example, predicting the downfall of a popular sport such as jogging ("It's definitely out, and walking is back in") or forecasting the debut of unusual foods (pastas with flavorings such as spinach, cajun, or blue corn). Other developments that Ms. Popcorn foresees: a kitchen lab that will allow consumers to instantly test products for safety; electronic implants for children's teeth that could be used to

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combat kidnapping (a youngster's whereabouts would be tracked by satellite); toll-free numbers for service professionals who make house calls; and a safe, durable, low-maintenance American supercar that will cost less than $35,000.

Ms. Popcorn and her new partner, Peter Flatow, are not afraid to predict trends that may offend their customers. "She doesn't just tell the client what he wants to hear," says Richard Shapiro, senior vice-president of Kobrand Corp. in New York City. In 1986, after she was hired to study a Kobrand product, Beefeater gin, Ms. Popcorn unabashedly reported that the brand needed to become more stylish to widen its appeal to young people, Mr. Shapiro recalls. He used her findings to launch a costly advertising campaign, spending $6 million in four months. Mr. Shapiro says he is so encouraged by the resulting sales boost that he will use Ms. Popcorn's research to help market a new spirits brand in 1988. "Most researchers overwhelm you with numbers," he says. "She cuts through the clutter."

Her style, though direct, obviously is appreciated by her clients. In both 1985 and 1986, BrainReserve ranked 54th on *Savvy* magazine's list of the top 60 female-owned companies in the United States, which is based on annual revenue. In 1985, the company boasted $23 million in revenue, a 15 percent improvement over 1984 figures. (BrainReserve, a privately held company, released those figures to qualify for the magazine's list; the company will not publicly disclose 1986 figures.) Ms. Popcorn's candor pays, and she continues to foresee trends that raise eyebrows, such as her current prediction about working women.

"Contrary to the boom of the past, women are starting to leave the traditional, 9-to-5 work place," she says. "Ten years ago, we had supermom. Today, we have burned-out mom. That's why a third of all the female MBAs of 1977 have already returned home. This homecoming will accelerate, with more and more women deciding that, while they may continue to run enterprises out of their homes, what they really want is quality time."

Why would anyone want to predict an unpopular trend? "It's in my blood," says Ms. Popcorn. "I'm a natural for this job. Whether it's good or bad, I get paid to stay on top of things."

And stay on top of things she does. She is no stranger to controversy and is generally acknowledged as being the first marketing expert to publicly declare New Coke a disaster, a fact that was confirmed by widely published consumer reactions just a week after she made her pronouncement. "The giant kneels," she told *Newsweek* on May 6, 1985. On June 24th, *Newsweek* quoted her as calling Coke's switch "the marketing fiasco of the decade."

Today, Coca-Cola defends its marketing moves, pointing out that for 20 years the original Coke had been declining in market share. Coca-Cola chairman and CEO Roberto C. Goizueta says, "The original drink was revered, but it was not being consumed. Now they are loving it and drinking it."

However, Ms. Popcorn doesn't regret her comments about New Coke. "Coca-Cola never asked its consumers if they were unhappy with the old Coke," she says. "They changed it without consulting the consumers. If there's one thing the American buying public absolutely hates, it's that." But she is surprisingly sober about her experience. "In retrospect, I probably shouldn't have made the prediction. It was just too risky. The risk of being wrong was incredible."

Perhaps a greater problem for Ms. Popcorn than the chance of being wrong is her tendency to be involved in every aspect of her business. "She participates in developing new products, the repositioning of established trends, and the defining of new markets," says Leonard Stein, a BrainReserve spokesman. Ms. Popcorn says she tries hard not to overburden herself with work. "I work out with a sports trainer three times a week," she says. Nevertheless, a hectic travel and business schedule often ruins plans to pace herself. She is, though, resigned to the heady life style a people watcher must sometimes keep. Her phone rings incessantly.

From a commercial point of view, some of her forecasts are downright staggering, such as the belief that wine coolers are a fading fad. The wine-cooler market passed the billion-dollar mark in 1986, only five years after it was invented, but Ms. Popcorn says coolers soon will be made "by one or two or, perhaps, three manufacturers." Currently more than 300 brands are on the market.

With jogging, white wine, and light beer waning, what will Americans use to fight stress? Probably the bathroom, predicts Ms. Popcorn. "We'll all have our own little stress-fighting spas right in our bathrooms." These spas also may help us reduce some of the fat we are gaining. "Fitness continues as a trend, but fatness is also a trend," explains Ms. Popcorn. "Women this year are fatter than they were just four years ago. Where should advertisers bet their money? Probably on fatness. Fatness sells more than fitness."

The smart money, however, will be invested in an area in which Ms. Popcorn is an expert. "We're becoming a nation of nesters," she says. "We like to stay home and cocoon. Mom foods, like meat loaf and chicken pot pie, are very big right now. For the same reason, so are big, comfortable chairs." Cocooning, as Ms. Popcorn calls it, is how she manages to break from her hectic business life. "I spend most weekends very quietly, reading and watching," she says. What does she watch? "All the TV shows we tape all week long," she concedes. And what does she read? "*People* is my bible."

Amid the nerve-racking uncertainties of some of her bolder predictions, she remains confident of the inevitability of one future trend: "You can expect more of the same from me."

by Gary Hanauer

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